VZCZCXRO6196 OO RUEHLH RUEHPW DE RUEHIL #0617/01 0801250 ZNY CCCCC ZZH O 211250Z MAR 09 FM AMEMBASSY ISLAMABAD TO RUEHC/SECSTATE WASHINGTON DC IMMEDIATE INFO RUEHBUL/AMEMBASSY KABUL PRIORITY 0042 RUEHLO/AMEMBASSY LONDON PRIORITY 9937 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 4667 RUEHKP/AMCONSUL KARACHI PRIORITY 1347 RUEHLH/AMCONSUL LAHORE PRIORITY 6977 RUEHPW/AMCONSUL PESHAWAR PRIORITY 5906 RUEKJCS/SECDEF WASHINGTON DC PRIORITY RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY RUEKJCS/JOINT STAFF WASHINGTON DC PRIORITY RUEAIIA/CIA WASHINGTON DC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 ISLAMABAD 000617

SIPDIS

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TAGS: PREL PGOV PTER

SUBJECT: THE FAT LADY RARELY SINGS IN PAKISTAN

Classified By: Anne W. Patterson, for reasons 1.4 (b)(d)

- 11. (C) Summary. In a country which has amended its constitution 17 times in its 62 year history and where most leading politicians have spent time in jail at the hands of rivals, there is rarely a definitive end to political disputes that are dragged into the courts. President Zardari and Prime Minster Gilani pulled Pakistan from the brink March 16, but the political drama surrounding reinstatement of the deposed judiciary, resolution of governor's rule in Punjab, and the political fate of the Sharif brothers is far from over.
- ¶2. (C) The Secretary and SRAP Holbrooke are widely and positively credited here with pressuring both Zardari and Nawaz Sharif to compromise and avoid further street violence. However, the local perception also is that Washington is warming to Nawaz as the most popular leader in Pakistan. Zardari made it clear to Ambassador that he feels the U.S. and the UK did not adequately support him in this crisis, and we are unclear if he will follow through with all of the promises that PM Gilani made on behalf of the government. We do not expect Zardari or his governor in Punjab to give up on efforts to marginalize the Sharifs at the local and national level or restrict the powers of a restored Chief Justice Chaudhry. End Summary.
- 13. (C) Prime Minister Gilani's March 16 announcement that the judges deposed by former President Musharraf would be restored and that the government would file a petition appealing the disqualification of the Sharif brothers created public euphoria over how civil society pressure produced genuine prospects for an independent judiciary and political reconciliation. Based on Ambassador's conversation with Zardari March 18 (Ref A) and PO Lahore's meeting with Punjab Governor Taseer (Ref B), however, we are not at all sure that Zardari plans to follow through on reconciliation.
- 14. (C) The GOP finally has submitted several petitions requesting a Supreme Court review of the decision to disqualify the Sharifs, asking for an expanded bench to hear the cases, and requesting a stay order that would return the political situation in Punjab to the status quo (i.e., restoring Shahbaz Sharif as Chief Minister). The initial legal work was sloppy, with the court initially complaining the government did not follow proper procures. There is no certainty that the Court will reinstate the qualifications of

either or both Sharif brothers. Despite previous assertions that Iftikhar Chaudhry will be reinstated without conditions, Zardari hinted to Ambassador that he may try to somehow restrict Chaudhry's powers. Governor Taseer appears to be exploring ways, legal and otherwise, to prevent the restoration of Shahbaz Sharif as Chief Minister.

- 15. (C) The Pakistan Muslim League (PML) continues its negotiations with the Pakistan People's Party (PPP) about forming a government in Punjab, but PML leader Chaudhry Shujaat told Ambassador March 18 that he still does not trust Zardari and believes the only way forward is a three-party unity government in Punjab. That assessment most likely is based on the reality that PML cannot convince its pro-Nawaz forward block to join a PPP government. Nawaz publicly rejected a supposedly scheduled meeting with PML leaders on March 21; the press has announced that PM Gilani will meet with Nawaz in Lahore on March 22.
- 16. (C) Ifitkhar Chaudhry has remained silent on his future plans, although his acolytes—including Aitzaz Ahsan—are reassuring the public that he will not go after Zardari or Musharraf; we are not yet convinced. Meanwhile, Nawaz is pressing Gilani to repeal the 17th amendment and thus restore parliamentary government in Pakistan. Gilani, in public at least, appears eager to enact the Charter of Democracy, which calls for a constitutional amendment to shift powers from the President to the Prime Minister. Privately, Zardari told Ambassador flatly that he had no interest in repealing the 17th amendment, so Gilani may be setting himself up, at a minimum for disagreement with Zardari, and at a maximum, for

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- a fall. Fissures in the PPP continue; an announced PPP Executive Committee meeting on March 19 became a simple meeting when Zardari excluded CEC members Sherry Rehman and others. The announced outcome was that the PPP would proceed with trying to form an alliance with the PML in Punjab.
- 17. (C) Kayani, who won kudos for avoiding overt Army intervention in the crisis, detailed to Ambassador March 19 the full range of his involvement behind the scenes in this crisis (septel).
- 18. (C) Comment: In both press coverage and our meetings with a broad range of Pakistani political actors, the Secretary and SRAP Holbrooke are receiving praise for U.S. interventions to pull Zardari and Nawaz back from the brink of political crisis. There also is a sense that Washington is warming to Nawaz, the most popular politician in Pakistan, after the impression that former President Bush snubbed him. Zardari senses that too; we will need to reassure him of support for the elected government without promising carte blanche to over-reach again, or to lash out further. He punished Information Minister Sherry Rehman for resigning by replacing her March 19 as Information Secretary to the PPP. His dislike of Nawaz is palpable and his concern about Chaudhry based on personal survival, so we need to be prepared for Zardari to throw additional roadblocks in front of reconciliation efforts. PATTERSON